

City of Nunam Iqua

Box 26
Nunam Iqua, AK 99666
Phone: (907) 498-4226
Fax: (907) 498-4250
September 6, 2006

George Cannelos
Denali Commission
510 L Street
Suite 410
Anchorage, AK 99501

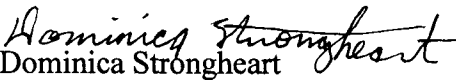
Dear George Cannelos,

The Nunam Iqua City Council would like to express appreciation to the Denali Commission for funding Grant Agreement Number 2195249/Nunam Iqua /Tank Farm Liner Repair. These funds allowed the Alaska Energy Authority to eliminate the danger to the environment and potential financial liability of the City of Nunam Iqua, should a fuel spill occur inside the City owned Bulk Fuel Tank Farm.

Project History: The Bulk Fuel Tank Farm was funded and constructed with assistance of the State of Alaska Department of Energy in 1997. In the fall of 2003, the City owned and operated Nunam Iqua Electric Company confirmed to the City Council that the tank farm had not held water from the spring melt. The Alaska Energy Authority completed a liner test report in November 2004. In December of 2005, when the City of Nunam Iqua had the necessary heavy equipment on site, a formal request was made to Mike Harper, Director of the Alaska Energy Authority, for financial assistance to repair the failed secondary containment liner in the Nunam Iqua Bulk Fuel Tank Farm. With funding from the Denali Commission and management by Ron Brown, Rural Energy Group, the project has been completed, eliminating the City and the environment's exposure to risk.

The Denali Commission is well noted for funding new construction of bulk fuel tank farms. The City Council would like to commend them for the wisdom in providing funds to upgrade existing tank farms. The on-budget completion of this project has been a worthwhile investment in community development.

Sincerely yours,


Dominica Strongheart
Mayor

Cc Mike Harper, Director AEA REG
Ron Brown, Project Manager, REG
